

Advisory Board

17 DEC 20 PM 4:46

RE: December 11, 2017 Meeting Minutes

Members present: Allison Weissensee; Ron Putnam, Bruce Whitney, Gail Dumont, Mike Smith, Joseph Oliveira

Members not present: Jaime Piedrafite

Heather Budrewicz attended along with Steve Nims and Justin Cole from Baystate Municipal Accounting Group. Heather provided detailed background information about the sewer budget deficit and how that deficit could impact the certification of our tax rate. She explained how this occurred – change in accounting software, unclear budgets prior to 2006, turn-over of the staff. She proceeded to explain that if the tax rate is not certified, then we would not be able to collect taxes until May 1, putting town services in jeopardy. We would be forced to borrow short-term funds to keep town services in place, and the issue would still not be resolved.

Two options were presented: raise the sewer rates to pay the deficit or use stabilization funds to make the sewer fund whole. If we raise the sewer rates, the increase would be burdensome (some 75% or more) and that would result in many more sewer users not paying their bills at all. We do not collect 100% of what is billed currently. Using stabilization funds would solve the crisis, allow our tax rate to be certified and would not impact the tax rate in any way.

Heather said we would consider options to have the sewer users pay back the stabilization fund in order to make the non-sewer users “whole” again.

After lengthy discussions, Joseph Oliveira asked for a motion to support the warrant article authorizing the movement of funds from stabilization to the sewer enterprise fund. Ron Putnam made the motion, Bruce Whitney seconded it. All votes were in favor.

Joseph Oliveira called for adjournment. Gail Dumont made the motion to adjourn; Ron Putnam seconded the motion. All members voted in favor to adjourn.

Motion to Approve
5-0
12-19-17 